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Letter dated 7 January 2002 from the Chairman of the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism addressed to the President of the Security Council

The Counter-Terrorism Committee has received the attached report from Hungary, submitted pursuant to paragraph 6 of resolution 1373 (2001) (see annex).

I should be grateful if you could arrange for the present letter and its annex to be circulated as a document of the Security Council.

(*Signed*) Jeremy **Greenstock**
Chairman
Counter-Terrorism Committee

02-22692 (E) 080402

Annex

Letter dated 3 January 2002 from the Permanent Representative of Hungary to the United Nations addressed to the Chairman of the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism

On instructions from my Government, I have the honour to transmit to you herewith the report of the Government of Hungary to the Counter-Terrorism Committee, submitted pursuant to paragraph 6 of Security Council resolution 1373 (2001) (see enclosure).

(*Signed*) André Erdős
Ambassador

Enclosure

Report to the Counter-Terrorism Committee

REPUBLIC OF HUNGARY

Hungary is strongly committed to the full implementation of Security Council Resolution 1373(2001) of September 28, 2001.

Legislative actions

Acting upon the Bill submitted by the Government of Hungary, on 27 November 2001 the National Assembly of the Republic of Hungary adopted Act LXXXIII. of 2001 on Combating Terrorism, on Tightening up the Provisions on Impediment of Money Laundering and on the Ordering of Restricting Measures (annexed).

Act LXXXIII. of 2001 amends a whole range of existing laws in order to develop the regulatory and enforcement system strengthening the anti-money-laundering environment:

- Amendment to the Law Decree No. 2 of 1989 on Saving Deposits focuses on the abolishment of anonymous savings deposit books;
- Amendment to Act XXIV. of 1994 on Prevention and Impeding of Money Laundering extends its scope in line with the EC Directive on the prevention of the use of the financial system for the purpose of money laundering;
- Amendment to the Civil Code changes definition of the savings deposit, with a view that only registered savings deposit will exist;
- Amendment to the Criminal Code;
- Amendment to Act CXI. of 1996 on Offering of Securities, Investment Services and the Stock Exchange aimed at registered securities can only be offered to the public;
- Amendment to Act CXII. of 1996 on Credit Institutions and Financial Enterprises tightens the regulation of "bureaux de change";
- Amendment to Act IV. of 1978 on the Criminal Code declares the act of making material assets available for the commission of an act of terrorism as a criminal offence.

On 13 November 2001 the National Assembly of the Republic of Hungary ratified the International Convention for the Suppression of Terrorist Bombings, adopted by the General Assembly of the United Nations on 15 December 1997. On 30 November 2001 the Republic of Hungary signed the International Convention on the Suppression of the Financing of Terrorism of 9 December 1999.

Executive actions

On September 18, 2001 the Government of Hungary adopted a decision confirming its consent to the Joint Declaration made by EU Heads of State and Government, the President of the EP, the European Commission and the High Representative for CFSP. The Government of Hungary has associated itself with the Conclusions and Action Plan of the Extraordinary European Council meeting on September 21, 2001.

On October 2, 2001 the Government of Hungary in its Resolution No. 2286/2001 (X.11.) has established an Inter-ministerial Committee upon the association with the policy and action plans of the EU on the fight against terrorism and adopted a detailed national Action Plan (annexed). The Committee is chaired by the Head of the State Secretariat for Integration in the Ministry of Foreign Affairs and comprises the representatives from the Ministry of Interior, Ministry of Transport and Water Management, Ministry of Finance and the Civil Security Agencies.

Representatives of other relevant agencies may be invited to participate when appropriate. The Committee has identified the necessary measures in the field of judicial co-operation, police co-operation, and fight against financing of terrorism, border control, aviation and political co-operation. The Action Plan determines the authorities in charge and establishes deadlines for the implementation. The Committee regularly meets to exchange information concerning the implementation of the international obligations to fight against terrorism on the national level.

On November 16, 2001 Hungary associated itself with the European Unions objectives of Common Position 2001/771/CFSP defined by the Council of European Union on November 5, 2001 concerning restrictive measures against the Taliban and ensured that its national policy conforms to that common position.

According to Act LXXXIII. of 2001, the Government shall be authorized to issue legal regulations, prohibitions and restrictions of economic, commercial, financial or other nature (hereinafter referred to as 'restrictive measures') on certain states, their natural and legal persons and other organizations. The introduction of restrictive measures shall be based on the international obligations undertaken by the Republic of Hungary. Restrictive measures which have been adopted by the Security Council of the United Nations in a resolution, or the Council of the European Union in a common position within the framework of the CFSP shall in all cases be considered as having such a basis. Restrictive measures under CFSP may be introduced if the Government of the Republic of Hungary has associated or aligned itself with the common position of the EU. (Section 1 of Act LXXXIII. of 2001)

The Government adopted a Decree on December 27, 2001 on the Implementation of Act XXIV. of 1994 on Prevention and Impeding of Money Laundering (English version of the Decree will be submitted at the earliest opportunity).

Measures taken to combat terrorism:

A) Combat the financing of terrorism

- Prohibition of opening of new anonymous savings deposits books, the existing ones will be converted into registered savings deposits;
- Only registered securities may be issued and offered to the public in the form of series;
- New rules for identification of the beneficiary owner;
- Stricter operational rules for currency exchange offices; only credit institutions and their agents may be authorized to provide such services;
- Registration of persons crossing the Hungarian border carrying more than HUF 1 million in cash or the equivalent amount in foreign currency;
- Further actions of the government and the supervisory bodies, such as the Financial Intelligence Unit of the National Police Headquarters will be strengthened, the number of its staff will be significantly increased and internal policies, procedures and controls will be adopted.

B) Border protection

- The independent visa issuing competence of embassies and consulates was withdrawn and visa issuing is only possible with the approval of the Ministry of Foreign Affairs in the countries of higher security risk;
- Asylum and immigration procedure and related measures are applied with maximum rigour;
- Strict rules are applied on leaving from and returning to community shelters and reception centers.

C) Biological terrorism

- The National Health Officer's Service (NHOS) was authorized to control and measure the value and the content of the vaccines, antidotes as well as antibiotics and supplies at national levels;

- NHOS with the health services of the Army established a task force of experts to co-ordinate relevant actions;
- The Epidemiological Defence Working Group of the Ministry of Health adopted measures to combat biological terrorism;
- Upon the initiative of the National Health Officer steps were taken to re-establish the biological laboratory of the highest security level;
- NHOS issued an order for the health services on the measures to be taken in the case anthrax infection; detailed special information were delivered to the medical staff in the country; measures were taken to review the efficiency of the anti-smallpox vaccines;
- The National Directorate General for Disaster Management (NDGDM) under the supervision of the Ministry of Interior adopted comprehensive measures concerning the suspicious packages infected by anthrax;
- Detailed information was issued regarding anthrax for the professionals who may be effected, and for the public through the media.

D) Civil defence

- NDGDM adopted security measures on the protection of the public and to prevent biological threats, or to eliminate the consequences of a biological terrorist attack;
- Directive of the Ministry of Interior No. 39/2001 and Operative measure No. 02/2001 of the General Director of the NDGDM were issued on disaster plan: emergency communication plan, the safety actions in the case of a terrorist attack or to eliminate the consequences of such an attack, fire-service plans and the order of co-operation in emergency;
- The standby plan of civil defence units were reviewed and updated;

The Government of Hungary also decided to increase the extraordinary amount allocated to financing the fight against terrorism by HUF 19.8 billion. This sum will be spent on improving equipment for the Hungarian police as well as on other emergency measures.

Actions to enhance international co-operation

The Inter-ministerial Committee is in charge of the co-ordination of the Hungarian participation in the international co-operation against terrorism. The Hungarian authorities pay special attention to co-ordinate their planned steps and actions with the relevant foreign authorities on bilateral as well as multilateral basis and continuously provide and exchange information with their foreign counterparts.

In accordance with the provisions of Act CXXV. of 1995 on National Security Agencies, the civil intelligence agencies actively exchange information with their EU-partners on bilateral basis as well as in the framework of the multilateral co-operation.

Concerning the fight against money-laundering, Hungary is co-operating closely with FATF, the European Union and its member states, OECD, the Council of Europe, the IMF and the World Bank.

On 4 October 2001 Hungarian Police and EUROPOL signed the agreement on the co-operation with the purpose of deepening effective information exchange regarding terrorist threats.

Operative Paragraph 1

Sub-paragraph (a) – What measures if any have been taken to prevent and suppress the financing of terrorist acts in addition to those listed in your responses to questions on 1(b) to (d)?

The International Convention for the Suppression of the Financing of Terrorism (adopted by the General Assembly of the UN on 9 December 1999) has been signed on 30 November, 2001 on behalf of the Government of the Republic of Hungary according to Government Resolution No. 2336/2001. (XI. 22.).

Paragraph (1) of new section 261 of Act IV of 1978 on the Hungarian Criminal Code (annexed, hereinafter referred to as the Criminal Code), as amended by Act LXXXIII. of 2001, stipulates that any person who makes material assets available for the commission of an act of terrorism shall be considered to have committed a crime and shall be punishable by imprisonment for a period of five to fifteen years. This covers all financial assistance activities that the Security Council of the United Nations may render to prevent or suppress.

Sub-paragraph (b) – What are the offences and penalties in your country with respect to the activities listed in this sub-paragraph?

Amendment of the Criminal Code referred to above entered into force on 19 December 2001 and amended Section 261 reads as follows:

> "1) Any person who deprives another person of his/her personal freedom or seizes material assets of considerable value, and declares that he/she will not release that person or leave the goods intact or return them unless his/her demand addressed to a public administrative body or a non-governmental organisation has been fulfilled, as well as any person who makes material assets available for the commission of an act of terrorism shall be considered to have committed a crime and shall be punishable by imprisonment for a period of five to fifteen years."

The amendment attaches criminal liability to making material assets available for the commission of an act of terrorism, as a general clause and the penalty may be imprisonment for a period of 5 to 15 years for crime. The punishment shall be imprisonment from 10 years to 15 years or life imprisonment, if the act of terrorism is committed (a) causing death or an especially grave disadvantage, (b) in wartime.

Besides perpetrators accessories are also punishable and attempts of the crimes referred to above are also subject to the provisions of the Criminal Code.

Under the provisions of the Criminal Code accessory is a person, who intentionally grants assistance for the perpetration of a crime (Section 21 (2) of the Criminal Code) without explicitly committing the elements of the offence. Accessory can be established by action and inaction or negligence. as well.

Section 16 of the Criminal Code states that the person, who commences the preparation of an intentional crime, but does not finish it, shall be punishable for attempt. The item of punishment of the 'finished' crime shall be applied for the attempt (Section 17 (1) of the Criminal Code). The person, who perpetrates preparation for an act of terrorism, shall be punishable for a felony with imprisonment from 1 year to 5 years (Section 261(3) of the Criminal Code). The person who credibly obtains information suggesting that the perpetration of an act of terrorism is being prepared, and fails to report that to the authorities as soon as he can, commits a felony, and shall be punishable with imprisonment of up to 3 years (Section 261 (4) of the Criminal Code).

Sub-paragraph (c) – What legislation and procedures exist for freezing accounts and assets at banks and financial institutions? It would be helpful if States supplied examples of any relevant action taken.

Act LXXXIII. of 2001 on Combating Terrorism, on Tightening up the Provisions on the Impeding of Money Laundering and on the Ordering of Restrictive Measures is in force (annexed). Relevant amendments adopted in Act LXXXIII. of 2001 are the following:

The amendment of the Law Decree No. 2 of 1989 on Savings Deposits focuses on the anonymous savings deposit books. The main elements of the amendment are as follows:

- savings deposits can be placed with a credit institution only on a registered basis, with the savings deposit book bearing the depositor's (and the beneficiary's) name, date and place of birth;
- those savings deposits that are already in existence and are anonymous (bearer's savings deposit books or savings deposits with a password) must be converted into registered form. This must take place at the time of the first presentation of the savings deposit book, once the credit institution has established the identity of the holder;
- if the first presentation takes place after 30 June 2002 personal details of the deposit holder will be reported to the National Police Headquarters in case of deposits of 2 million HUF or more;
- after 31 December 2004, the transformation of the savings deposit can be carried out only upon the written request of the deposit holder, with the approval of the National Police Headquarters.

Act XXIV. of 1994 on the Prevention and Impeding of Money Laundering as amended by Act LXXXIII of 2001:

- its scope is extended to a large number of professions outside the financial sector;
- the identification obligation also holds when entering into business relations;
- information on the beneficial owner must always be required when the client is identified (e.g. when entering into business relation, at transactions over HUF 2 million in value and when circumstances may indicate money laundering);
- as the foreign exchange restrictions were lifted in June 2001, the import and export of cash over 1 million HUF in value must be declared to the customs authority on the basis of this Act;
- the identification obligation applies for currency exchange offices above the threshold of 300,000 HUF;
- as an exceptional rule, the execution of suspicious transactions can be suspended for 24 hours;
- definition of identification data and documents are shifted to the act from the Government Decree.

The amendment of the Civil Code changes the definition of the savings deposit, therefore only registered savings deposit may exist in the future.

Act CXI. of 1996 on the Offering of Securities, Investment Services and the Stock Exchange is amended, therefore only registered securities can be offered to the public.

Act CXII. of 1996 on Credit Institutions and Financial Enterprises is amended, therefore the regulations of 'bureaux de change' become much stricter:

- only credit institutions and their agents will be authorised to offer currency exchange services;
- licensing will be undertaken by the Hungarian Financial Supervisory Authority.

A Government Decree detailing staff and technical operating conditions has also been adopted.

Section 303(1) b) of the amended Criminal Code provides that

(1) Anyone who conceals material assets which have been generated in connection with an act punishable by imprisonment pursuant to this Act and perpetrated by another person, by means of ...

b) providing false information on the origin or true nature of those assets when making a statement provided for in the Act on Prevention and Impending of Money Laundering to the financial service provider or to the customs authorities

shall be considered to have committed a felony and shall be punishable by imprisonment for a period of up to five years.

Sub-paragraph (d) – What measures exist to prohibit the activities listed in this sub-paragraph?

Reference is made to the provisions of the amended Criminal Code elaborated above (Sections 261 and 303).

Operative Paragraph 2

Sub-paragraph (a) – What legislation or other measures are in place to give effect to this sub-paragraph? In particular, what offences in your country (i) recruitment to terrorist groups and (ii) the supply of weapons to terrorists? What other measures help prevent such activities?

Recruitment of members of terrorist groups and the supply of weapons to terrorists constitute preparation of acts of terrorism according to section 261 of the Criminal Code. The person who perpetrates preparation for an act of terrorism shall be punishable for a felony with imprisonment from one year to five years.

Other references in the Criminal Code may also be related to acts of terrorism and therefore contribute to the suppression of the activities referred to in sub-paragraph (a). These include:

- Violation of an Obligation based on International Law (Section 261/A)
- Misuse of Explosive or Blasting-agent (Section 263)
- Misuse of Firearms or Ammunition (263/A)
- Gun-running (263/B)
- Misuse of Radioactive Substance (Section 264)
- Misuse of the Operation of Nuclear Facilities (Section 264/A)
- Misuse of the Application of Nuclear Energy (Section 264/B)
- Criminal Misuse of Weapons Prohibited by International Treaty (Section 264/C).

Sub-paragraph (b) – What other steps are being taken to prevent the commission of terrorist acts, and in particular, what early-warning mechanisms exist to allow exchange of information with other states?

Reference is made to information provided in Operative Paragraph 3. Sub-paragraphs (a), (b) and (c).

Sub-paragraph (c) – What legislation or procedures exits for denying safe haven to terrorists such as laws for excluding or expelling the types of individuals referred to in this sub-paragraph?

/Legislation: Act of XXXIX of 2001, Article 4/

Entry and stay may be permitted when a foreigner holds valid travel documents and visa, he/she is not subject to any expulsion or ban on entry or stay and his/her entry does not threaten the public order or national security of an European Economic Area member state or the international relations of a member state.

/Executive action: Decree of the Government 170/2001/

The Immigration and Naturalization Office upon the advise of the National Security Office approves or rejects the visa applications. The Office may also request the opinion of the agencies of criminal investigations.

Upon request foreigners staying in Hungary with a valid visa may obtain permission to stay for a maximum period of two years. This permission may be extended upon request.

For humanitarian reasons the Office may issue a permission to stay for persons who applied for refugee status or enjoy temporary protection.

The permission to stay may be refused or withdrawn if the foreigner is subject to expulsion or a ban to enter and stay, does not have a valid visa, the purpose of his/her stay has changed, the foreigner communicated false data, submitted fake documents or violates immigration regulations.

A ban on entry and stay shall be ordered against a person who

- pursues an activity, or member of an organization endangering national security, public health or human environment,
- member or agent of a terrorist organization or is involved in the smuggling of firearms, explosives, radioactive materials or narcotic drugs, participates in illegal trading of materials and equipments for manufacturing weapons of mass destruction, manufactures or possesses for commercial purposes narcotic drugs or psychotropic substances,
- organises or facilitates the illegal entry, border crossing or stay of persons or groups, engaged in trafficking.

A foreigner may be taken into custody pending expulsion.

The person who violates (Criminal Code Section 261/A) an economic, commercial or financial prohibition pronounced on the basis of an international legal obligation of the Republic of Hungary, commits a felony, and shall be punishable with imprisonment of up to five years.

Any person who prepares, obtains, possesses or transfers to a person not entitled to possess explosives or blasting-agents, or equipment for the use of such, without authorization, commits a crime and shall be punishable with imprisonment from two to eight years. (Criminal Code Section 263)

The person who - without license - produces, obtains, keeps, distributes, processes or otherwise uses a radioactive substance or product of dangerous to health or the environment, transfers it to a person who is not entitled to keep it, commits a felony and shall be punishable with imprisonment of up to five years. (Criminal Code Section 264)

<u>Sub-paragraph (d)</u> – What legislation or procedures exists to prevent terrorists acting from your territory against other states or citizens?

National law enforcement agencies and intelligence services acting upon the relevant laws (Criminal Code, Act on Prevention and Impeding of Money Laundering as well as Act on entry and stay of foreigners) pursue with full force any illegal activities to the full extent of the law. Agencies have established direct contacts on a bilateral or multilateral basis to prevent terrorist acts to this end.

Sub-paragraph (e) – What steps have been taken to establish terrorist acts as serious criminal offences and to ensure that the punishment reflects the seriousness of such terrorist acts? Please supply examples of any convictions obtained and the sentences given.

Hungary is strictly adhering to UN legal instruments against terrorism in its domestic legislation, thus ensuring that the terrorist acts defined in the international conventions and protocols are established as serious criminal offences under the Criminal Code.

The punishments inflicted upon perpetrators of terrorist acts extending to 5 to 15 years or 10 to 15 years or life imprisonment respectively are the harshest punishments provided for under the provisions of the Criminal Code. [In this regard reference is made to the comments made regarding Operative Paragraph 1, Sub-paragraph (b)]

In the past five years, no person was convicted or sentenced for the commission of terrorist acts in the country.

Sub-paragraph (f) – What procedures and mechanisms are in place to assist other states? Please provide any available details of how these have been used in practice.

Speeding up the ratification process of the Convention on Mutual Assistance in Criminal Matters between EU Member States (adopted on 29 May, 2000) is among the priorities of the Government's Action Plan. The drafting of the new law on mutual assistance in criminal matters and application of the measures on the basis of bilateral agreements prior to accession to the European Union is under way.

Sub-paragraph (g) – How do border controls in your country prevent the movement of terrorists? How do your procedures for issuance of identity papers and travel documents support this? What measures exist to prevent their forgery?

Under the Action Plan a central investigation unit with the tasks of co-ordinating the fight against illegal immigration and of human trafficking, and a central deployment unit with the tasks of aliens policing (checking of trains, bus stations and traffic junctions) will be established.

Besides national units, regional units will be set up at the nine Border Guard Directorates and in Budapest, which will perform in-depth checks in their own region individually or in co-operation with the police and the Customs and Finance Guards. The Plan determines in detail the tasks of the authorities both at national and regional level.

The purpose of the Border Registration System is to maintain public order and guarantee public security in the territory of Hungary, to increase the efficiency of preventive measures in fighting against illegal migration and organised crime.

The Border Registration System, operated by the Border Guards, is able to read, to analyze and to process automatically data of travel and identity documents of persons crossing the border and to control the security marks. In the case of border crossings by car, the Border Registration System reads and checks automatically the car plate. In the case of non-machine-readable travel document and car plate the data inputs are carried out manually. These data are controlled in the watch list of persons and objects, and car plates are checked in the vehicle database. In the case of matching with a person or an object, the prohibition or watch list, the system notifies the officer on duty.

The installation of Border Registration System at land border crossing points (operating 24 hours a day, or with limited operational time), at Ferihegy International Airport In Budapest and at Budapest International Port (Danube) was completed in 2000. Mobile IT technical equipment are being installed at rail border crossing points and at temporary land border crossing points. As soon as the on-line computer system is completed, the system will have a direct link to other systems such as the picture transmitting-and the fingerprint identification system.

The controlled data of passengers are registered at three levels. The first level is the border crossing point, where the passenger crossed the border, the second is the competent Border Guards Directorate and the third is the central database.

The Border Registration System shortens the time of checking of passengers and effectively promotes crime detection and prevention of criminal activities.

Operative Paragraph 3

Sub-paragraph (a) – What steps have been taken to intensify and accelerate the exchange of operational information in the areas indicated in this sub-paragraph?

Sub-paragraph (b) – What steps have been taken to exchange information and cooperate in the areas indicated in this sub-paragraph?

Sub-paragraph (c) – What steps have been taken to cooperate in the areas indicated in this sub-paragraph?

Hungary has concluded agreements on a bilateral basis with 28 countries concerning the suppression of terrorist activities and organized crime. The Governments of the United States and Hungary have concluded a Memorandum of Understanding in 2000 on the exchange of intelligence and the provision of technical assistance concerning the prevention and suppression of organized crime.

International cooperation has been intensified since the adoption of SC Resolution 1373 (2001) as indicated in the Government's Action Plan.

The agency ordering expulsion shall take action to have the fingerprints of the foreigner taken. The fingerprints taken, supplemented with personal identification data and photo of the person concerned, should be immediately transmitted to the data processing Agency of Criminal Records. Data may be forwarded to the Schengen Information Center via the Hungarian International Co-operation Center.

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International cooperation has been intensified since the adoption of SC Resolution 1373 (2001) as indicated in the Governments Action Plan.

Hungary has signed a number of international agreements (on the order of borders, border traffic, on combating organized crime, on re-admission,) with all neighbouring countries (except Yugoslavia) as well as many other states. These agreements provide co-operation and exchange of information among border control agencies. Where appropriate, the Hungarian Border Guards and the Customs and Finance Guards have set up joint working committees with the representatives of their counterparts of the neighbouring countries to facilitate the control process. The border control agencies are also envisages the exchange of liaison officers to promote co-operation to that effect.

In addition to the above, Hungary has an agreement on co-operation in the field of fight against international organized crime with all EU Member States.

The Border Guards have permanent contacts with the police attaches in the embassies of EU Member States accredited in Budapest.

The Government has decided to introduce a new Bill to the National Assembly on mutual assistance in criminal matters between investigative authorities (Government Resolution No. 1087/2001. (VII.8.)). It will regulate - inter alia - the forms of co-operation adopted by the Schengen legislation (Articles 39-47) and will also take into consideration the Convention of 29 May, 2000 on Mutual Assistance in Criminal Matters between the Member States of the European Union.

An internal regulation of the Minister of Interior on the adoption and implementation of the Schengen legislation defines the tasks related to the conditions of hot pursuit and cross-border surveillance.

Sub-paragraph (d) – What are your government's intentions regarding signing and/or ratifying the conventions and protocols referred to in this sub-paragraph?

Hungary has either ratified or signed all universal legal instruments against international terrorism that are in force as well as the European Convention against Terrorism.

Hungary has ratified the following international instruments relating to terrorism:

1. Convention on Offences and Certain Other Acts Committed on Board Aircraft, signed at Tokyo on 14 September, 1963 [Law decree No. 24 of 1971]
2. Convention for the Unlawful Seizure of Aircraft, signed at The Hague on 16 December, 1970 [Law decree No. 24 of 1972]
3. Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, signed at Montreal on 23 September, 1971 [Law decree No. 17 of 1973]
4. Convention on the Prevention and Punishment of Crimes against Internationally Protected Persons, including Diplomatic Agents, adopted by the General Assembly of the United Nations on 14 September, 1973 [Law decree No. 22 of 1977]
5. International Convention against the Taking of Hostages, adopted by the General Assembly of the United Nations on 17 December, 1979 [Law decree No. 24 of 1987]
6. Convention on the Physical Protection of Nuclear Material, signed at Vienna on 3 March, 1980 [Law decree No. 8 of 1987]
7. Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation, supplementary to the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, signed at Montreal on 24 February, 1988
8. Convention for the Suppression of Unlawful Acts against the Safety of Maritime Navigation, done at Rome on 10 March, 1988
9. Protocol for the Suppression of Unlawful Acts against the Safety of Fixed Platforms Located on the Continental Shelf, done at Rome on 10 March 1988
10. Convention on the Marking of Plastic Explosives for the Purpose of Detection, signed at Montreal on 1 March, 1991
11. European Convention on the Suppression of Terrorism, concluded at Strasbourg on 27 January, 1977 [Act XCIII. of 1997]
12. International Convention for the Suppression of Terrorist Bombings, adopted by the General Assembly of the United Nations on 15 December 1997 [National Assembly Resolution No. 57/2001 (IX.7.)]

On November 30 2001, Hungary has signed the International Convention for the Suppression of the Financing of Terrorism, adopted by the General Assembly of the United Nations on 9 December, 1999 [Government Resolution No. 2336/2001 (XI. 22)]. Ratification process is under way.

Sub-paragraph (e) – Provide any relevant information on the implementation of the conventions, protocols and resolutions referred to in this sub-paragraph.

Upon ratification of the international conventions and protocols referred to above, Hungary has made the necessary amendments and modifications in its national legislation. [see Operative Paragraph 1, sub-paragraph (c)] According to the provisions of the Hungarian Constitution international instruments become part of the body of national legislation upon ratification.

Reference to terrorist activities is also made in the amendment of the Act on Police. The Police may request prior authorization from the Public Prosecutor for covert investigation and access to personal data or data on bank, securities or cashiers secrets and other business secrets. In case the delay for such authorization would endanger the success of the investigation and the case is connected to - among others - terrorism, money laundering or organized crime, the prior permission of the Public Prosecutor will not be necessary.

Special Units have been set up to fight against terrorist acts within the Hungarian National Police. These units report directly to the National Police Headquarters. The International Law Enforcement Co-operation Center is acting as a link between the Hungarian investigation authorities and those of other countries.

Act CXXV of 1995 on National Security Agencies deals with the tasks, objectives and responsibilities of the various security Agencies.

In 1998, the Government of Hungary established a special team responsible to investigate bombing cases.

Sub-paragraph (f) – What legislation, procedures and mechanisms are in place for ensuring asylum seekers have not been involved in terrorist activity before granting refugee status?

In accordance with the Law on Asylum (CXXXIX of 1997), those who submit application to obtain refugee status are screened by the National Security Office. Any person who might endanger public order or might be a risk to national security is refused to get a permission to stay.

Sub-paragraph (g) – What procedures are in place to prevent the abuse of refugee status by terrorists?

The strict limitations referred to above are a first and effective filter to prevent the abuse of refugee status by terrorists. Those admitted to stay in community shelters are permanently supervised by the relevant authorities.

Appendices:

1. Act LXXXIII of 2001 on combating terrorism, on tightening up provisions on the impeding of money laundering and on the ordering of restrictive measures*
2. Measures taken and planned by the Government of Hungary to implement the European policy and action plan on the fight against terrorism
3. Act XXXIX of 2001 on the entry and stay of foreigners*
4. Act IV of 1978 on the Hungarian Criminal Code*

* Appendices 1, 3 and 4 are available for consultation in the files of the Secretariat.

Unofficial translation

Appendix 2

Measures taken and planned by the Hungarian Government to implement the European policy and action plan on the fight against terrorism

EU measures	Planned Hungarian measures	Responsible authority	Time table	Notes
Judicial co-operation				
draft framework decision on the definition of terrorism and approximation of sanctions	Amendment of the Criminal Code and adoption of the new law on criminal responsibility of legal persons	Ministry of Justice, Ministry of the Interior	after the adoption of the framework decision and following its time table	
draft framework decision on the European Arrest Warrant	Amendment of law XXXVIII of 1996 on international judicial co-operation in criminal matters and of the law on criminal procedure	Ministry of Justice, Ministry of the Interior	after the adoption of the framework decision and following its time table	
Speeding up of ratification of the Convention on Mutual Assistance in Criminal Matters between EU Member States	Speeding up the drafting of the new law on mutual assistance in criminal matters and – depending on the positive approach of international partners – application of the measures on the basis of bilateral agreements prior to accession	Ministry of Justice, Ministry of the Interior	Immediately	
Police co-operation				
Autonomous Hungarian measures: In a decision the Government raised the budget of anti terrorist measures by HUF 19,2 billion, a part of which will be spent on police equipment				
Rapid passing-on of terrorism relevant information to Europol	Passing-on of terrorism related information of the Hungarian police	Ministry of the Interior, National Law Enforcement Co-operation Centre	Continuously	on the basis of the Europol-Hungary co-operation agreement signed on 4 October 2001
Setting up of Joint Investigation Teams	Offering Hungarian participation on the basis of the new law on mutual assistance in criminal matters (under elaboration)	Ministry of the Interior, National Police Headquarters, Ministry of Finance	Immediately	

Setting up an Europol counter-terrorist specialist team	Offering the secondment of a Hungarian liaison officer on the basis of the Europol-Hungary co-operation agreement	Ministry of the Interior, Ministry of Finance	after the entry into force of the Europol-Hungary co-operation agreement	
Improve operational police co-operation between Member states in the field of counter terrorist measures	Offering of Hungarian participation, appropriate measures in case of positive response	Ministry of the Interior, National Police Headquarters	Immediately	
Exchange of information on practical measures adopted to combat terrorism	Offering of sharing Hungarian experience, analysing EU experience	Ministry of the Interior, Ministry of Foreign Affairs	Immediately, continuously	
Annual Terrorism Situation and Trends Report to European Parliament	Offering Hungarian contribution	Ministry of the Interior	Immediately	
Approximation of legislation on surveillance of explosives, arms and on fire arms license where appropriate	Adoption of the law on arms, ammunition and shooting range	Ministry of the Interior, Ministry of Justice, Ministry of Economics, Ministry of Foreign Affairs	31.12.2001	The law on arms, ammunition and shooting range has been submitted to the Parliament
	Follow up of EU legislation and approximation of Hungarian legislation where appropriate		Ongoing	

Combat the financing of terrorism				
Autonomous Hungarian measures: (i) prohibition of opening of new anonymous savings deposit books, the existing ones will be converted into registered savings deposits; (ii) in the future, only registered securities may be issued and offered to the public in the form of series; (iii) new rules for identification of the beneficiary owner; (iv) stricter operational rules for currency exchange offices; only credit institutions and their agents may be authorised to provide such services; (v) registration of persons crossing the Hungarian border carrying more than HUF 1 million cash or the equivalent amount in foreign currency; (vi) further actions of the Government and the supervisory bodies, such as the Financial Intelligence Unit of the National Police Headquarters will be strengthened, the number of its staff will be significantly increased and internal policies, procedures and controls will be adopted; (vii) adoption of recommendations by the Gambling Supervision on the fight against money laundering; revision of recommendations already issued by the Hungarian Financial Supervisory Authority in order to bring them in line with the provisions of the draft law.				The draft law has been submitted to the Parliament in an accelerated procedure
Urgent ratification of UN Convention on the suppression of the financing of terrorism, implementing UN Security Council Resolution 1333	Signing of the Convention	Ministry of Foreign Affairs, Ministry of Justice, Ministry of Finance	31.12.2001	Effective implementation of UN Security Council Resolutions 1269, 1368, 1373
Securing a rapid adoption of the draft directive on the prevention of money laundering, as well as of the framework-decision on the execution of orders freezing assets or evidence, the scope of which should be extended to terrorist-related crimes	The provisions of the draft directive on the fight against money laundering will be implemented by the amendment of the Act on the prevention of money laundering	Ministry of Finance, Ministry of Justice, National Bank of Hungary, Hungarian Financial Supervisory Authority, Ministry of Foreign Affairs	31.12.2001	The draft law has been submitted to the Parliament in an accelerated procedure
Broadening of the mandate of the Financial Action Task Force on money laundering so as to cover cases linked to terrorism	Providing information, follow-up	Ministry of Finance, National Bank of Hungary, Hungarian Financial Supervisory Authority, Ministry of Foreign Affairs	Continuously	
Updating the 40 FATF Recommendations on issues like the identification of customers	Providing information, follow-up	Ministry of Finance, National Bank of Hungary, Hungarian Financial Supervisory Authority, Ministry of Foreign Affairs	Continuously	

Adopting a pro-active and co-ordinated attitude on these matters in international forums (OECD, IMF,WB, etc.)	Providing information, follow-up, adaptation	Ministry of Finance, National Bank of Hungary, Hungarian Financial Supervisory Authority, Ministry of Foreign Affairs	Continuously	
Introducing measures against countries on the FATF list on non-co-operative countries	Providing information on the planned Hungarian measures to the FATF, the EU and their Member States	Ministry of Finance, National Bank of Hungary, Hungarian Financial Supervisory Authority, Ministry of Foreign Affairs	Continuously	
Paying particular attention to activities linked to terrorism in the framework of the draft directive on insider trading	Preparation for the harmonisation of the directive, stricter control of insider trading	Ministry of Finance, National Bank of Hungary, Hungarian Financial Supervisory Authority	after the adoption of the directive	
The EU Banking Advisory Committee prepares a report on the insider trading activities of the terrorists before the attacks	Co-operation on request	Hungarian Financial Supervisory Authority	Continuously	
Strengthening the flow of information among the FIUs of the member states	Strengthening the conditions of co-operation	Ministry of Interior, Ministry of Finance	Continuously	
Border protection				
Autonomous Hungarian measures: The independent visa issuing competence was withdrawn and visa issuing is only possible with the approval of the Ministry of Foreign Affairs in Hungarian missions in countries of higher security risk Asylum and immigration procedures and related measures are applied with maximum rigour, Afghan nationals were separated from others in the community shelters, Strict rules are applied on leaving from and returning to community shelters and reception centres		Ministry of Foreign Affairs, Office of Immigration and Nationality	Ongoing	
Strengthen controls at the external borders	Strengthen controls at the external borders	Border Guards, Hungarian Customs and Finance Guard	Immediately	
Vigilance when issuing of identity documents and residence permits (particularly duplicates)	Vigilance when issuing and controlling of identity documents	Ministry of the Interior, Office of Immigration and Nationality, National Police Headquarters	Immediately	
Apply visa issuing procedures with the maximum rigour and step up local consular co-operation	Apply visa issuing procedures with the maximum rigour	Ministry of Foreign Affairs, Office of Immigration and Nationality	Immediately	

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Urgent examination of the situation in countries and regions where a risk of large scale population movements exists as a result of heightened tensions following the attacks on the US	Reinforcing Hungary's readiness for co-operation in the examination and in giving temporary protection	Ministry of the Interior, Office of Immigration and Nationality, Ministry of Foreign Affairs	Immediately	
Systematic input in SIS of alerts under Art 95, 96 and 99	Speeding up of systematic input in relevant Hungarian databases	Ministry of the Interior, National Law Enforcement Co-operation Centre, Border Guards, Hungarian Customs and Finance Guard	Continuously	
Civil protection				
Community mechanism in the field of the co-ordination of civil protection measures	Follow-up of the process, preparation for the implementation of the adopted measures	Ministry of the Interior	As soon as possible	
Directors General of Civil Protection to focus on the responses of civil protection authorities to major terrorist attacks inside and outside the EU	Offering Hungarian participation and co-operation	Ministry of the Interior	Immediately	
Improved EU-US co-operation				
Co-operation and consultations in all competent international forums, especially in the UN	Offering Hungarian co-operation	Ministry of Foreign Affairs	Immediately	
Streagthening civil aviation security				
Full implementation of all the key measures in Document No 30 of the ECAC and propose their review (access to airports, boarding on aircraft, baggage and cargo control, screening of passengers)	Introduction of those measures of Document No 30 of the ECAC that have not been implemented yet	Ministry of Transport and Water Management, Ministry of the Interior (Border Guard), Ministry of Finance (Hungarian Customs and Finance Guard)	Immediately and continuously	

Setting up an ad hoc multidisciplinary group, jointly chaired by the Commission and the Presidency of the Council for the following purposes: – to examine co-ordination and co-operation needs within the Union to guarantee the consistent introduction of security measures – to consider legislative initiatives for the same reason – to examine whether Community regulations are consistent with US legislation	Transposition of the measures introduced and the legislation adopted by the EU	Ministry of Transport and Water Management, Ministry of the Interior	Continuously	
Proposals to the ICAO Assembly, on 25 September 2001 to enhance co-operation and co-ordination and thus step up preventive measures and to the monitoring of implementation	Support the proposal and co-operate with the EU delegation to the Assembly	Ministry of Transport and Water Management	Immediately and continuously	
The European Council called upon the Transport Council to take the necessary measures to strengthen air transport security at its next meeting on 15 October. These measures shall cover in particular: – classification of weapons – technical training of crew – checking and monitoring of luggage – protection of cockpit access – quality control of security measure introduced by Member States	Transposition of the measures introduced and the legislation adopted by the EU	Ministry of Transport and Water Management, Ministry of the Interior, Ministry of Finance (Hungarian Customs and Finance Guard)	Continuously	
Political co-operation				
General Affairs Council was appointed as co-ordinating body of the fight against terrorism	An inter-ministerial committee was set up for the co-ordination of measures to be taken in relation to Hungary's accession to EU declaration on counter terrorist measures	Ministry of Foreign Affairs	Immediately	

Systematic evaluation of EU relations with third countries in the light of the support which those countries might give to terrorism	Follow-up of the evaluation process and the related measures, reconsideration of Hungary's relations with the countries concerned	Ministry of Foreign Affairs	Continuously	
Report for the General Affairs Council of 8 October 2001 on measures to be recommended to speed up the implementation of CFSP and JHA	Analysis of the report and preparation for measures to be taken	Ministry of Foreign Affairs, Ministry of Justice, Ministry of the Interior	As soon as possible	